Morning News 30-Nov-2021

MCB-ARIF HABIB
Savings and Investments Limited

- **Availability of fertilizers: PM orders action against hoarders | BR:** Prime Minister Imran Khan has directed taking legal action against hoarding and profiteering after he was informed that measures taken against stockpiling of fertilisers led to a reduction in their prices by Rs400 per bag in the country. The Prime Minister was informed that the sale price of fertiliser has come down by an average of Rs400 per bag.
- **Saudi Fund signs $3bn deposit pact with SBP | BR:** The State Bank of Pakistan (SBP) Monday signed an agreement with the Saudi Fund for Development (SFD) for a deposit of $3 billion to build Pakistan's foreign exchange reserves. In October, during the visit of Prime Minister Imran Khan, Saudi Arabia was agreed to provide some $3 billion in foreign currency support in the shape of safe deposits for a year to address Pakistan's balance of payments crisis.
- **Import of 'virtual pipeline' to deliver LNG: GGPL awaiting licence from Ogra | BR:** Gwadar Gas Port Limited (GGPL) is awaiting approval of provisional construction license from the Oil and Gas Regulatory Authority (Ogra) to import virtual pipeline LNG to provide gas at lowest cost (half price) to Gwadar Port, power generation, industry, and the local people of Gwadar City.
- **Pakistan to pay over $165 million in interest on $4.2bn Saudi Fund facility | BR:** Pakistan would pay over $165 million in interest payments in a year on the $4.2 billion Saudi Fund facility announced last month, revealed the Ministry of Finance. Pakistan has secured the $3 billion loan as deposit in Pakistan's central from Saudi Arabia at an interest rate of 4% while the $1.2 billion financing on refined petroleum products at 3.8% interest rate.
- **No gas for CNG stations in Sindh, Balochistan from Dec 1 | Dawn:** The Sui Southern Gas Company Ltd (SSGCL) has decided to suspend gas supply to all the compressed natural gas (CNG) stations across Sindh and Balochistan from Dec 1 (8am) to Feb 15, 2022 (10pm). The government has approved a load management plan to make gas available to domestic and commercial customers on top priority basis during winter season.
- **Govt mulls dividends plan to cut circular debt | Dawn:** The government is considering a scheme to reduce the stock of the circular debt by declaring dividends for the shareholders of energy sector companies. The government owns major stakes in big energy companies and stands to benefit directly if they announce dividends.
- **Move to bring over 22m individuals under tax net | Dawn:** In a large drive to widen the tax net and check evasion, the government has evolved a plan for broadening of tax base along with a documentation drive from December to bring over 22 million people under the fold. The Adviser on Finance and Revenue, tasked the tax machinery to implement the strategy in a phase-wise manner.
- **Bumper rice crop fuels hopes for record-breaking export | Dawn:** The country has achieved a bumper rice crop of about nine million tonnes this year signalling the potential of highest-ever export of the commodity, Minister for National Food Security and Research Syed Fakhr Imam said on Monday. The country has an exportable surplus of 8.03m tonnes worth $4.85 billion, he said.
- **Yields on PIBs raised by up to 246bps | Dawn:** The State Bank of Pakistan (SBP) on Monday said the first auction of Pakistan Investment Bonds (PIBs) following an increase in the interest rate saw a jump in rates as cut-off yields were raised by up to 246 basis points. The government raised Rs117 billion against the target of Rs100bn in the auction held after the change in the monetary policy.
- **Stocks gain around 1,300 points over multiple triggers including Saudi package, oil dip | Dawn:** Pakistan Stock Exchange's (PSX) benchmark KSE-100 index gained more than 1,200 points in intraday trading to cross the 45,000-point mark on Monday, buoyed by the cabinet's approval to revive Saudi Arabia's $3 billion support package for Pakistan in safe deposits and $1.2bn worth of oil supplies on deferred payments.
- **$105m G-B Invest Initiative for sustainable development launched | BR:** Rupani Foundation in collaboration with Reenergia, Pakistan Institute of Development Economics (PIDE), and Karakorum International University (KIU), has formally launched the Gilgit-Baltistan (G-B) Invest Initiative costing $105 million, here on Monday.
- **German inflation hits 29-year high in November | BR:** German consumer prices hit a 29-year high in November, preliminary data showed Monday, as soaring energy costs and supply chain bottlenecks weigh on Europe's top economy. The annual inflation rate rose to 5.2 percent, accelerating for the fifth month in a row, with the surge partially driven by a 22-percent jump in energy prices, federal statistics agency Destatis said.
- **Meeting on appointment of CEC proves inconclusive | BR:** An in-camera meeting of the Parliamentary Committee on the Appointment of Chief Election Commissioner and Members of the Election Commission of Pakistan proved inconclusive on Monday as the panel could not reach consensus on the appointment of two ECP members — one each from Punjab and Khyber Pakhtunkhwa.

Market Indices			
	29-Nov-21	26-Nov-21	30-Jun-21
KSE 100	45,330	44,114	47,356
KSE 30	17,550	17,034	18,962
KMI 30	73,286	71,029	76,622
KSE All Shares	30,984	30,302	32,480
Volume (mn Shares)			
	29-Nov-21	FYTD (Average)	
KSE 100	109.6	130.8	
KSE 30	61.5	49.9	
KMI 30	45.0	48.9	
KSE All Shares	268.2	367.8	
Commodity Rates			
	29-Nov-21	Daily Change	FYTD Change
Crude Oil-Brent (USD/BBL)	73.4	1.0%	-2.2%
Crude Oil-Arab Light (USD/BBL)	73.3	-8.2%	2.0%
Copper(USD/Lbs)	4.3	1.2%	1.2%
Cotton (USD/Lbs)	108.8	-0.3%	33.6%
CRC Steel (USD/Tonne)	935.0	0.0%	-21.1%
Currency (Interbank)			
	29-Nov-21	Daily Change	FYTD Change
US Dollar	176.0	0.4%	11.7%
UK Pound	234.3	0.2%	7.6%
Euro	198.7	0.2%	6.4%
UAE Dirham	48.3	0.0%	12.1%
Chinese Yuan	27.5	0.5%	12.9%
Fund Flows (USD mn)			
	29-Nov-21	FYTD	
FOREIGN INDIVIDUAL	0.63	4.21	
FOREIGN CORPORATES	-3.32	-245.46	
OVERSEAS PAKISTANI	0.31	44.03	
FIPI NET	**-2.38**	**-197.22**	
Economic Data (USD mn)			
	FY22E	FY21	FY20
GDP Growth	4.8%	3.9%	-0.5%
	Oct-21	Sep-21	
Exports	2,466	2,409	
Imports	6,386	6,563	
Remittances	2,518	2,670	
Foreign Exchange Reserves	23,926	25,983	
Money Market Data			
	29-Nov-21	26-Nov-21	30-Jun-21
SBP Policy Rate	8.75	8.75	7.00
CPI Inflation	9.2%	9.2%	9.7%
3 Month T-Bill	9.73	9.75	7.28
6 Month T-Bill	10.17	10.20	7.53
12 Month T-Bill	10.81	10.94	7.81
3 Year Government Bond	11.38	11.53	8.99
5 Year Government Bond	11.44	11.61	9.49
10 Year Government Bond	11.99	12.07	9.94
3 Month KIBOR	9.93	9.95	7.45
6 Month KIBOR	10.28	10.31	7.69

Data Sources : Reuters, PSX, NCCPL, PBS, SBP